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# NEWSLETTER



PUBLISHED BY  
**THE FEDERAL CROP INSURANCE CORPORATION**  
U. S. DEPARTMENT OF AGRICULTURE      WASHINGTON, D. C.

March 1942 Vol. V    Number 35

## CONTRACT VOLUME SETS RECORD Rate Schedule Plan Okayed

### Most Counties Expected To Use Idea In 1943 Campaign

The premium rate schedule plan, advocated by farmers and the Denver insurance conference last fall, will be in effect for the 1943 program, Leroy K. Smith, Manager of the Federal Crop Insurance Corporation, has announced.

Indications are virtually all counties will utilize the plan. Kansas has reported that all its wheat counties expect to put the plan into effect.

Premium rates of wheat farms having the same average yield and located in the same county will be averaged. That averaged premium rate then will be applied to all those farms having the same average yield in the same county.

This plan is designed to eliminate small accidental differences in rates and to place all farms with the same average yield on an equitable basis with respect to the cost of insurance. Studies showed, the Corporation found, that high premium farms and low premium farms suffered about the same degree of loss when crop failure struck.

The Corporation also expects this plan to overcome objections that have arisen in the past over differences in premiums as between neighboring farmers.

The 1942 loss adjustment procedure has been approved by the Corporation's Board of Directors, as have the regulations and the 1943 application form, which will call for the new term contract covering three years.

#### READ THE NEWS:

Record Number Contracts . . .	1
Rate Schedule Plan . . . . .	1
Washington Co. in Black . . .	1
Progress Report . . . . .	2
Information Program . . . . .	3
One Bushel For One . . . . .	3
Insurance In Illinois . . . . .	3
Talk Information Now . . . . .	3
Photo Flashes . . . . .	4
Montana's Loss Cause . . . . .	6
Timely Tips . . . . .	6
Hopper Surveys . . . . .	6
Hopper Charts . . . . .	7

### WHITMAN COUNTY IN BLACK DESPITE 1941 CROP LOSSES

Washington--Whitman County continues to show a favorable operating margin although more was paid out in indemnities than was collected in premiums under the 1941 insurance program.

Excess of premiums over indemnities in previous years made that possible. Losses in 1941 ranged from seven-tenths of a bushel per acre to 100 percent losses.

More than 80 percent of the indemnity wheat went under loan through the Commodity Credit Corporation, which enabled growers to obtain an income comparable to what might have been expected had no loss occurred.

#### BUY DEFENSE STAMPS AND BONDS

Newsletter is designed to inform field workers of the AAA and FCIC of developments in the crop insurance program and is not for general distribution.

### Fourth Time Corporation Bettors Prior Year's Signup

All former records were shattered with the 1942 crop insurance signup when, for the fourth consecutive year, the crop insurance Corporation topped its preceding year's business by a large margin.

New high marks were set for farms insured, premiums, insured acreage, and insured production, Leroy K. Smith, Manager of the Corporation, announced.

Total farms insured as of February 28 last, the final day for accepting applications for insurance on the current year's wheat crop, numbered 495,273 with predictions from the Minneapolis Branch Office that an additional 5,000 insured farms were expected from that region. This would swell the total to more than half a million or more than 30 percent of all the country's wheat farms.

Wheat growers obligated themselves to pay 15,797,591 bushels of wheat or the cash equivalent as premiums in payment for their all-risk insurance for 1942. This is an increase of about 1,500,000 bushels over 1941.

Acres insured amounted to 12,926,627, or almost 2,000,000 more than a year ago, while the insured production took a big jump to 142,995,619 bushels compared to 110,716,241 bushels under the 1941 program.

Better salesmanship, greater familiarity with the program, and prompt, cooperative attention

(See CONTRACTS page 3)

FEDERAL CROP INSURANCE CORPORATION - BRANCH OFFICE PROGRESS REPORTS

As of February 28, 1942

1942 Wheat Sign-up					1941 Indemnities				
Applications received	Farms insured	Estimated premiums	Estimated insured acreage	Estimated insured production	Total indemnity claims number	Total premium payments bushels	Total indemnity claims bushels	Total premium payments bushels	Estimated insured production bushels
number	number	bushels	acres	bushels					
<b>RICHMOND OFFICE:</b>									
724	804	8,100	15,189	193,861	69	584	4,330	5,262	128,524
2,240	2,474	31,531	58,769	831,869	153	1,692	9,736	18,262	499,900
272	273	1,527	3,049	48,198	23	155	1,299	959	30,749
1,752	1,788	13,931	21,119	333,182	153	965	8,960	7,084	171,864
1,703	1,885	7,060	14,145	116,841	39	449	1,320	2,566	59,939
7,088	7,421	50,395	87,680	1,340,000	1,155	7,173	57,513	44,508	1,234,338
2,586	2,805	23,097	44,911	555,462	468	2,483	20,449	20,536	519,461
530	567	4,701	8,294	100,849	15	88	897	892	16,846
16,895	18,017	140,342	253,156	3,520,262	2,075	13,589	104,504	100,069	2,661,621
<b>CHICAGO OFFICE:</b>									
35,257	45,386	613,965	696,581	9,231,920	5,544	33,023	442,824	417,692	7,049,937
31,970	36,695	321,429	345,409	4,562,428	1,087	30,549	35,332	301,642	4,589,449
8,688	10,291	176,481	132,273	1,775,749	5,141	6,100	688,863	88,189	1,134,772
889	947	12,846	14,237	142,157	29	599	999	8,840	110,763
32,729	35,068	199,589	239,609	3,649,642	2,095	13,225	82,350	83,241	1,742,346
38,860	43,736	356,934	370,225	5,384,251	3,216	31,275	110,449	290,042	4,810,031
1,800	1,913	10,481	19,576	168,349	18	188	473	1,618	26,223
150,193	174,036	1,691,725	1,817,910	24,914,496	17,130	114,959	1,361,290	1,191,264	19,463,521
<b>KANSAS CITY OFFICE:</b>									
39	47	141	410	2,779	17	38	1,445	352	7,582
2,888	4,688	386,275	207,994	1,615,069	753	4,976	102,426	353,396	1,561,018
42,109	58,842	2,828,503	2,318,320	23,274,185	20,859	53,997	2,795,325	3,073,769	19,813,711
35,255	42,174	650,787	754,865	8,140,767	13,547	20,892	1,639,795	267,885	3,767,969
53,921	73,665	3,214,377	1,793,054	19,493,666	44,351	57,271	7,078,597	2,368,874	13,519,851
322	434	61,047	30,711	189,691	87	232	55,009	31,928	112,973
21,356	28,242	1,183,660	1,303,615	11,678,169	10,127	22,854	1,233,790	751,358	7,530,406
9,312	11,448	1,157,467	724,920	4,946,869	5,575	9,379	1,787,781	958,766	4,114,376
165,202	219,520	9,482,257	7,134,089	69,341,195	95,316	169,639	14,694,168	7,806,328	50,427,886
<b>MINNEAPOLIS OFFICE:</b>									
16,930	20,432	400,122	382,520	3,956,484	5,676	13,585	404,161	226,243	2,479,496
1,431	2,850	481,575	254,114	2,198,160	2,277	3,012	57,470	416,087	1,979,452
7,943	12,401	971,750	743,889	5,834,615	965	18,938	194,028	1,046,762	6,967,379
5,448	12,305	791,851	404,964	2,602,128	3,820	12,591	534,661	847,604	2,586,369
2,786	2,919	17,861	17,550	213,588	338	640	11,560	3,818	41,085
569	950	91,314	58,460	362,601	108	1,296	17,264	127,052	541,585
35,107	51,857	2,756,473	1,861,497	15,167,576	11,184	50,062	1,219,144	2,667,566	14,595,366
<b>SPOKANE OFFICE:</b>									
144	348	5,866	8,225	140,722	99	140	29,559	2,450	70,637
2,328	4,469	534,211	405,584	5,455,890	1,301	2,209	732,752	163,770	2,196,741
6,699	10,212	337,267	399,384	6,863,608	1,325	9,430	380,166	204,793	4,502,711
54	58	1,108	826	16,935	22	102	1,607	1,913	32,616
3,562	5,772	299,111	339,989	5,819,261	1,309	4,657	155,432	216,239	4,022,613
4,782	5,799	178,986	170,572	2,500,889	364	2,988	24,535	60,964	892,816
2,042	5,185	370,245	535,395	9,254,785	487	3,879	140,198	230,697	5,466,295
20,611	31,843	1,726,794	1,859,975	30,052,090	4,907	23,405	1,464,249	880,826	17,184,429
388,008	495,273	15,797,591	12,926,627	142,995,619	130,612	371,654	18,843,355	12,646,053	104,332,823

GRAND TOTAL



# INFORMATION MATERIAL READIED

## Selling Insurance Is 12 Month Job Says Kansas, Urging "Talk It Up Now"

Kansas--Just around the corner is the crop insurance campaign--or is it around the corner? Some of the counties that do the best job of selling crop insurance make it a 12-month job. Of course, they have a certain season when they go out and sign up crop insurance applications, but they are promoting the program throughout the entire year.

Now is the time to start talking crop insurance to your wheat growing neighbors. Some counties did a good job of putting signs on insured fields, but it would be a good idea to check up in your community and see that all insured fields along the main roads have signs. If the sign is down and lost, get another at the county office the next time you go to town. During the next few months farmers will be watching every cloud wondering what it will do to their wheat crop. This is the time to have these signs up so the uninsured farmers can see them--and wish they had insurance.

Here is a change in crop insurance regulations that you will appreciate: "In adjusting losses for the 1941 crop year, if the insured desired to seed other small grain in the wheat crop, it was necessary that an inspection be made by an adjuster. However, in certain areas, a plan of granting blanket authorizations, when conditions so permitted, was used. This method was very successful and therefore, inspections of an insured crop for 1942 prior to the seeding of other small grain therein, will be required only at the discretion of the county committee.

"In other words, if the county committee determines that conditions generally warrant the granting of permission to seed other small grain with the wheat, it will not be necessary to make individual inspections and grant specific authorizations unless tillage operations are to be performed on the land prior to the seeding of small grain in which

## ONE BUSHEL FOR ONE

Kansas--The biggest little indemnity under the 1941 insurance program has been approved by the Kansas City Branch Office.

It was for one bushel of wheat to a Kansas grower.

The highest claim approved amounted to 4,217 bushels.

## ILLINOIS INSURES 200,000 MORE ACRES THAN IN 1941

Illinois--About 200 thousand more wheat acres have been insured in Illinois for 1942 than were protected from crop loss in 1941 under the crop insurance program.

About 600,000 acres were insured in 1941 compared to 844,220 acres under the 1942 program. Insured production also showed an increase from 7,183,481 bushels in 1941 to 11,052,640 bushels in 1942.

Shelby County alone almost doubled its insured acres from 3,996.3 to 6,374.8 acres.

## CONTRACTS

(Cont'd from page 1)

to adjustments and settlements of losses were among the principal reasons ascribed by Mr. Smith for the record showing.

Nebraska and Kansas again topped the list of states with the largest number of insured farms--73,665 and 58,842, respectively. States insuring more than 40,000 farms each included Illinois, Ohio, and Missouri.

The big winter wheat area of Kansas, Nebraska, Oklahoma, Texas, Missouri, Colorado, Arkansas, and New Mexico, led the rest of the regions in the number of farms insured with 219,520. This region also accounted for more than half of the insured acreage and almost two-thirds of the total premiums obligated.

case it will be necessary that an individual inspection be made of the crop."

## Manager Urges Planning, Timing As Aid To Success

Information material for use in the impending wheat crop insurance campaign has been prepared for the states.

Material supplied by Washington will include two leaflets, one embodying questions and answers; a committeeman's handbook; a series of newsmats; two direct mail cards, illustrated; two suggested letters for businessmen; and, if printing can be obtained in sufficient time, a poster.

In addition, suggested news stories and radio programs have been sent states and additional card sets for window exhibits are being prepared. Colored slide sets have been sent to the processor, but the time required for completion of this work will delay distribution for at least a month or more.

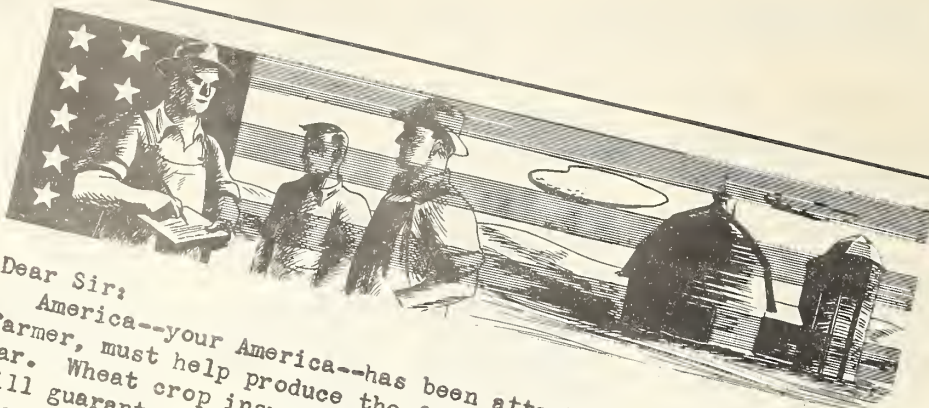
A contemplated set of slides emphasizing farm-purchasing power cannot be completed until states send in shots to illustrate this theme.

A number of copies of the poster, "This Crop Insured," are still available and should be ordered promptly by those states planning to post farms on which the crop is insured.

Planning and timing is the essential element in any successful information program. States were urged by Leroy K. Smith, Manager of the Federal Crop Insurance Corporation, to outline their information plans and timing immediately to insure effective results in the forthcoming campaign.

"This becomes all the more important at this time," Smith said, "in view of the fact that the Corporation is offering for the first time a three-year contract. It is necessary that everyone working on the insurance program do his utmost to explain this new type of contract to wheat growers."

REMEMBER PEARL HARBOR!



Dear Sir:

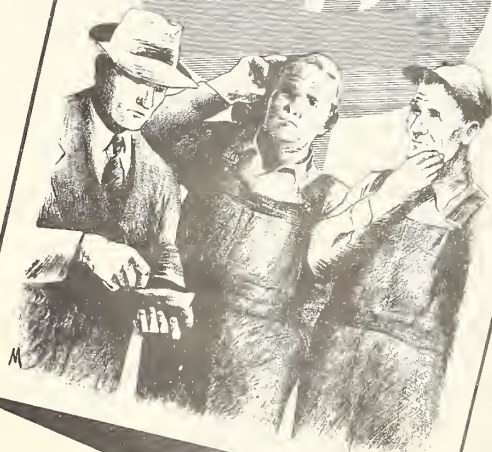
America--your America--has been attacked. You, as a farmer, must help produce the food for freedom to win this war. Wheat crop insurance will help you do that job. It will guarantee wheat income. Insurance frees you of crop loss worries; assures you security, crop income, and enables you to do a better job of producing so there will never be another Pearl Harbor! Ask your county AAA committee today for crop insurance on your farm!

Very truly yours,

\_\_\_\_\_, Chairman,  
AAA Committee.

CL-5

## *Your Big Money Question*



# *photo flashes.*

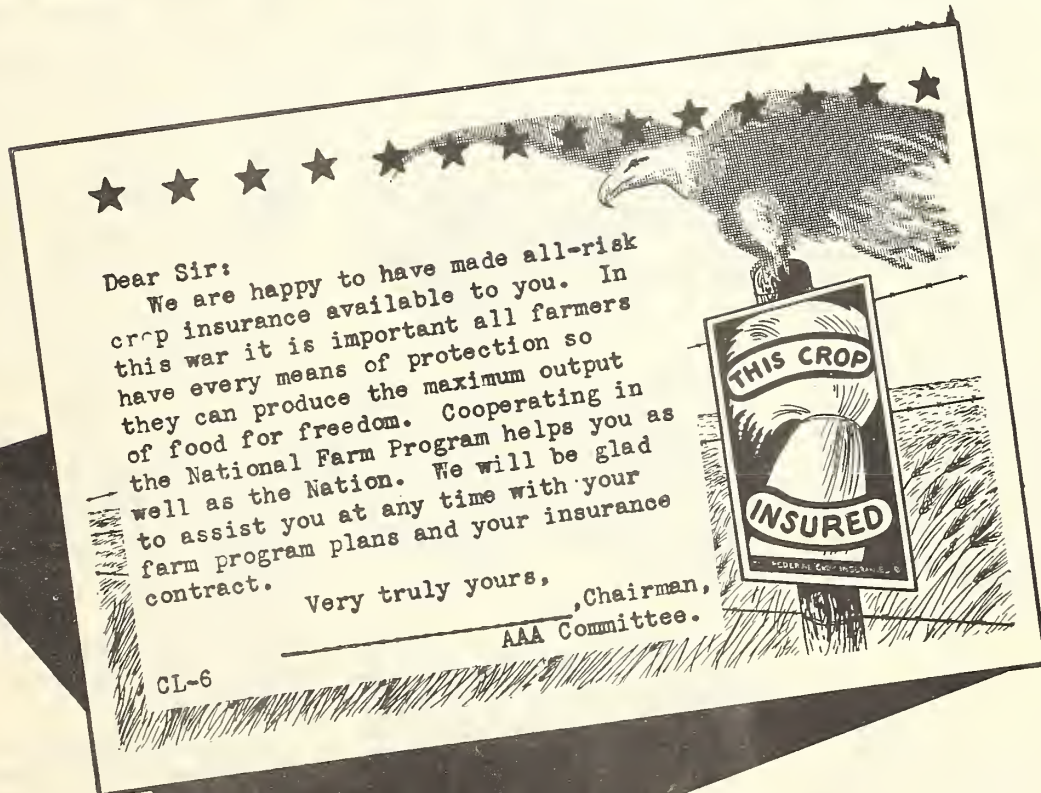
Above is the direct mail card designed for use during early days of the sign-up campaign. The illustration and text will be in red ink on a white card. "Your Big Money Question" is the cover of the question and answer leaflet. The color is black and white. Both have been sent to the printer.





# photo flashes...

Here is the general leaflet cover--"Food For Freedom--Guaranteed". It brings the program up to date, with a detailed explanation of crop insurance and the three-year contract. The color will be ox-blood. The illustrated postcard will be printed with blue ink on a white card.



## MOST OF MONTANA'S 1940 LOSS CAUSED BY DROUGHT CONDITIONS

Hoppers Second In List  
Although Precipitation  
Near Normal

Montana--Drought was responsible for more than half the wheat crop losses on which indemnities were paid by the Federal Crop Insurance Corporation in Montana during 1940, despite the fact that average precipitation in the state was only one one-hundredth of one percent below normal, Chairman R. J. McKenna of the Montana AAA Committee reveals.

"This emphasizes the fact that even during a relatively good year for wheat raising, drought is an ever-present hazard to wheat crops," he said. "In 1940 precipitation was only slightly less than normal but the average per acre wheat yield was 13.2 bushels per acre, which is 4.3 bushels more than the average 1931-40 yield and 3 bushels more than the long-time average yield. The uninsured wheat grower who lost his crop during 1940 probably lost a better than normal crop and had no wheat to sell at the average price of nearly 60 cents a bushel, whereas if he had been insured he would have had at least 75 percent of his normal yield to market."

Indemnities paid in the state during 1940 totaled 1,248, according to McKenna. Fifty-five percent, or 683, of these were due to drought and only 23 percent, 296 losses, were due to fire and hail, considered by many farmers as the most dangerous hazards to growing wheat. Other losses on which indemnities were paid included: Grasshoppers, 168; winterkill and hot winds, 25 each; insects other than grasshoppers, bugs and worms, 18; rust, 15; weeds, 10; and miscellaneous causes, such as seepage of irrigation water, poor germination, rodents, and flood, 8.

Development of a unified national educational program on health and nutrition is recommended by virtually all state agricultural planning committees.

# Timely TIPS

Some county fieldwomen are using school children in radio broadcasts. Musical numbers, round-table discussions, and interviews are among the methods employed to get the children on the air. Some groups of pupils write their own scripts with the assistance of the fieldwoman.

. . .

SLIDE SETS CAN BE OF MUCH GREATER INTEREST IF THEY ARE LOCALIZED. FIELD WORKERS WHO TAKE A PICTURE OF LOCAL GROUPS AT EACH MEETING SOON BUILD UP SETS OF INTERCHANGEABLE SLIDES. MANY FARM PRACTICES IN INDIVIDUAL COUNTIES ALSO CAN BE FEATURED IN THIS WAY.

. . .

Why not make a "spot-check" in your community to see how well informed your neighbors are? Ask the next 10 farmers you see about crop insurance. If they are not well informed, talk to the county committee and plan an educational campaign.

. . .

A COLORADO COUNTY ORGANIZED ITS PERSONNEL TO EXPLAIN AND ACCEPT INSURANCE APPLICATIONS FROM EVERY FARMER WHO CALLED AT THE OFFICE. THIRTY-THREE CONTRACTS WERE WRITTEN IN THIS MANNER.

. . .

Montana mimeographed that part of the new crop insurance handbook dealing with how to present insurance to the farmer. It proved a big aid in signing growers. The handbook now is in printed form and can be obtained upon order.

. . .

THE PREMIUM RATE SCHEDULE PLAN (SEE STORY ELSEWHERE IN THIS ISSUE) SHOULD BE A PEG ON WHICH TO HANG A NEW RELEASE AND ALSO EXPLAIN IN A RADIO PROGRAM.

Buy Defense Bonds and-----  
Stamps!

## HOPPER SURVEYS SHOW RED LIGHT OF DANGER IN S.W. AREA

Over 32,000 Tons Of Bait  
Will Be Needed To  
Combat Pests

Insect infestations again threaten wheat crop destruction during this year, surveys made by the Department last fall show.

Indications are 32,470 tons of bait will be needed throughout the United States to combat grasshoppers while about 2,260 tons of bait will be required to control Mormon crickets.

Surveys show the most severe infestation of grasshoppers is likely to occur in the northern part of the Texas Panhandle and the extreme southwestern corner of Kansas. One area in the eastern part of South Dakota also may be badly infested.

Severe infestations are indicated in the southern part of the Texas Panhandle; northwestern Oklahoma; northeastern Colorado; eastern South Dakota; south-central North Dakota; and a small area in south-central Montana.

Mormon cricket infestation, the survey indicates, will be heavy in Lyman County, S. Dak.; Owyhee, Jefferson, Clark, and Fremont Counties, Idaho; Humboldt County, Nev.; Beaverhead County, Mont.; and moderate in Hot Springs County, Wyo.; Big Horn and Chouteau Counties, Mont.; and Malheur County, Ore.

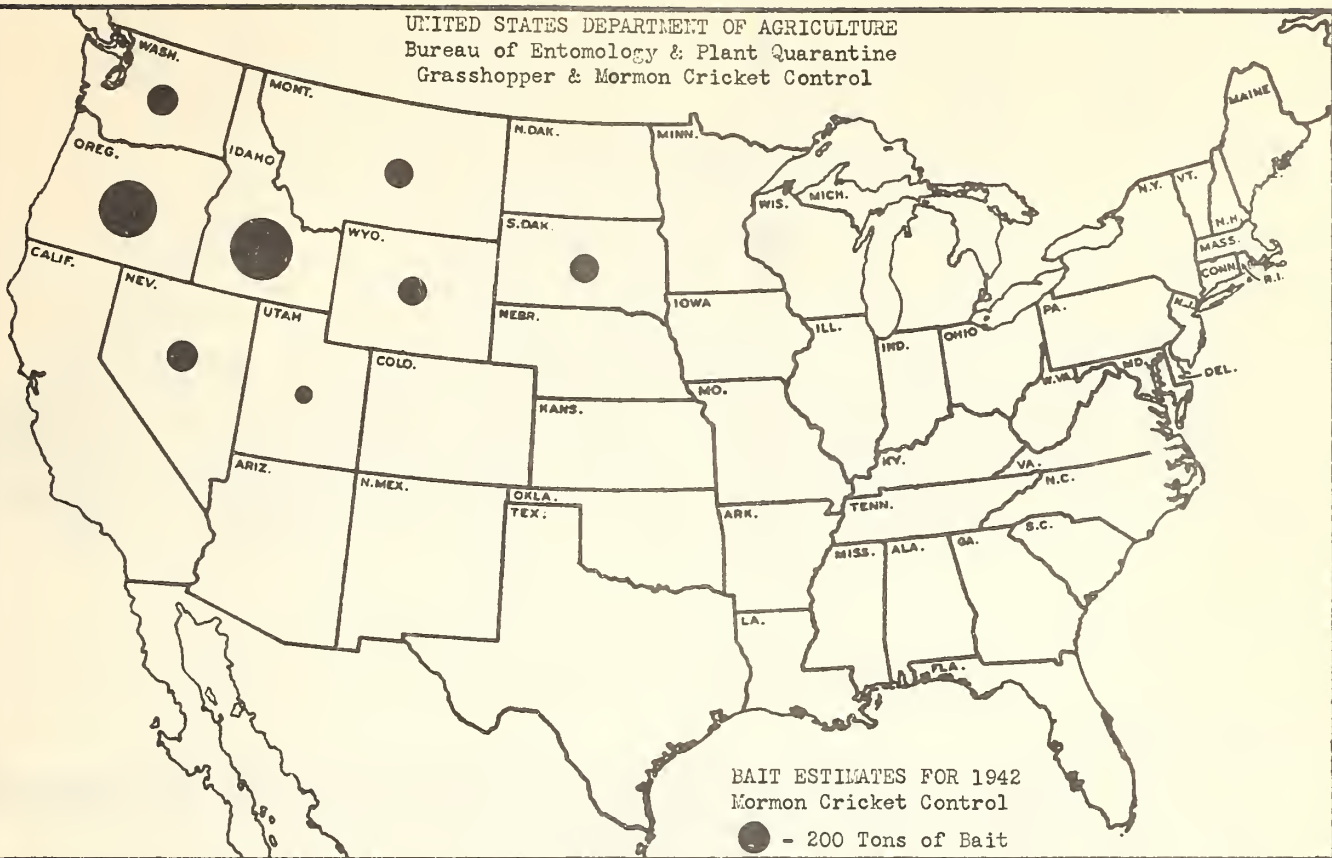
The estimated bait in tons needed by each state as shown by the charts on page 7 follows:

Grasshopper control: Arizona, 270; Arkansas, 300; California, 600; Colorado, 2,485; Idaho, 175; Iowa, 260; Kansas, 2,725; Michigan, 700; Minnesota, 3,005; Missouri, 300; Montana, 3,335; Nebraska, 2,470; Nevada, 25; New Mexico, 200; North Dakota, 4,740; Oklahoma, 1,850; South Dakota, 5,595; Texas, 2,685; Utah, 350; Wisconsin, 120; Wyoming, 280.

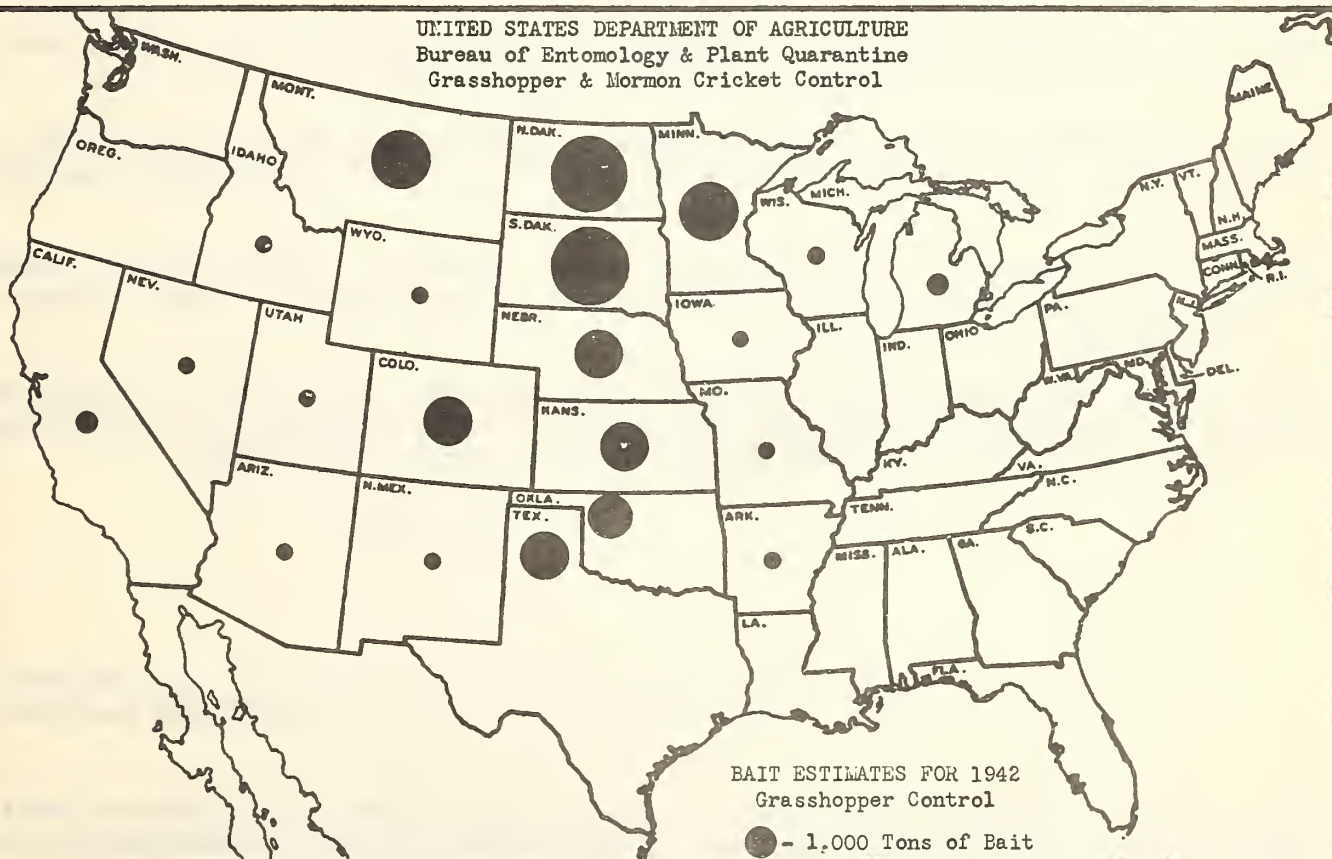
Mormon cricket control: Idaho, 800; Montana, 150; Nevada, 175; Oregon, 600; South Dakota, 150; Utah, 25; Washington, 200; Wyoming, 150.



UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Entomology & Plant Quarantine  
Grasshopper & Mormon Cricket Control



UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Entomology & Plant Quarantine  
Grasshopper & Mormon Cricket Control





ON THE  
FIRING  
LINE  
TOGETHER



Dear Mr. Blank:

**I**f you are in doubt about what you can do to help win the war, a very important thing is to keep your farm in good working order;

**N**othing will help you do this more than stabilized income through crop insurance, commodity loans, and soil conservation;

**S**evere crop losses have been a "knockout blow" to thousands of farmers every year, but this need not happen with all-risk protection;

**U**nder the Federal crop insurance program you can be sure of 50 or 75 percent of an average crop at a cost in keeping with the risk of growing wheat on your farm;

**R**ust, hail, drought, flood, insects, plant diseases, fire, and all other unavoidable hazards are natural destructive forces against which insurance protects you;

**E**very farm is needed now on the "Food For Freedom" firing line. Stabilized income through the farm program will help you do a better job on this firing line. See your local county AAA committee for further information.

Very truly yours,

B3 287 \_\_\_\_\_, Chairman  
County AAA Committee

**Note:** Stencils with the illustration--not the letter--impressed on them are available for use by county committeemen in mailing circular letters to local wheat growers. They may be obtained upon request through the state AAA offices.





